

The Better Building Codes Coalition

April 26, 2012

Michigan State Senate
Senate Regulatory Reform Committee
205 Farnum Building
P.O. Box 30036
Lansing, MI 48909

Re: House Bill 4561

Chairman Rocca and Members of the Senate Regulatory Reform Committee,

We, the undersigned, as Members of the Better Building Codes Coalition hereby request your vote against the passage of HB 4561, which gravely impacts the life safety of Michigan citizens and increases the cost of doing business in the State.

The State of Michigan adopts and modifies the codes and standards developed and published by a number of not for profit codes and standards organizations such as the International Code Council (ICC), the National Fire Protection Association (NFPA), and ASTM International. These organizations are dedicated to life and building safety and fire prevention, and develop the model codes and standards to construct residential and commercial buildings, including homes and schools. Their missions are to protect consumer safety by providing the highest quality codes, standards, products, and services for all concerned with the safety and performance of the building environment.

The citizens and businesses of Michigan currently benefit from the most recent and up-to-date building safety and efficiency requirements by modifying the above mentioned codes and standards to address Michigan's industry and construction needs. These codes and standards are developed by the nation's leading building scientists, fire and life safety officials, home builders, contractors, commercial builders, architects, structural and mechanical engineers, and product manufacturers.

The negative impact of HB 4561 will be considerable. Michigan is one of many states that values public safety and the protection of our built environment by updating building, fire, electrical, and energy codes and standards every three years, which coincides with the national model code cycles. By adopting such codes, Michigan provides the safest and economically prudent climate for its citizens. HB 4561 will prevent this integral update from taking place, allowing Michigan to fall behind the national standard for building and life safety, and limit the use of safe and cost-effective construction standards or methods, new and emerging technology and building innovations, and cutting edge building materials.

HB 4561 will increase insurance premiums throughout the State. The Insurance Services Office (ISO), the national organization that rates communities for fire and disaster exposure, rates each jurisdiction based upon their updated building codes. These ratings are utilized by insurance companies to determine premiums for communities. Higher ISO ratings may result in higher insurance bills for Michigan property owners. Cities such as Novi, MI have already suffered the impact of such adverse ratings.

HB 4561 will increase energy bills for consumers. Homes built with the most current and up to date codes save significant dollars on energy usage. Research studies have shown that home owners save considerably on their energy bills, negating the argument that newly developed codes unnecessarily increase the cost of construction. A recent analysis of a home built to the latest codes showed an annual energy savings of \$848-\$925, resulting in a net savings of \$19,197 - \$23,479 over a 30 year mortgage. The Building Codes Assistance Project (BCAP) has issued many reports on this caveat and we encourage you to carefully review their analyses.

HB 4561 will impair Michigan-based industries, such as Dow Chemical Company, that manufacture energy efficient products essential to builders and contractors that are compliant with the latest editions of the codes and standards. Significant resources are invested to become market leaders in a growing industry. Extending the date of adoption harms these companies as it hinders their ability to bring new energy efficient products to market.

HB 4561 will adversely impact integration of new technologies vital to meeting Michigan's Renewable Energy Portfolio, such as residential electrified shingles. Michigan-based auto industries rely on emerging electrical technologies to develop electrical auto components and residential charging stations for their vehicles.

HB 4561 will complicate the regulatory process. The Michigan Manufacturers Association and many of its members oppose this bill because such a change would put Michigan out of step with the rest of the nation and complicate the regulatory process creating uncertainty for manufacturers that build facilities under the Michigan Construction Code and producers of goods to be sold in Michigan.

HB 4561 creates unnecessary administrative expenses and impairs Michigan's ability to effectively regulate the safety and efficiency of buildings. Movement to a six-year cycle will create much confusion and additional regulatory review. The code updates are carefully integrated documents meant to complement each other every three years.

HB 4561 will create a greater burden on the taxpayers and businesses, and put at risk the safety of its citizens by extending the timing of updating Michigan's building and life safety codes and standards.

The Better Building Codes Coalition respectfully requests that this Committee carefully consider the negative impact of HB 4561 on the States' ability to attract new business, provide affordable, safe, and energy efficient housing, and ensure the public safety of its communities where we live, work, and play.

Sincerely,

John Easter
American Chemistry Council

Thomas E. Baldwin, CBO
Director of Inspections, **Benton Charter Township**

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Building Official, **City of East Lansing**

Wayne R. Jewell, CBO, CPCA
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Michigan Manufacturers Association

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National Electrical Manufacturers Association

Tim McClintock
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National Fire Sprinkler Association

Jim Chase
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